

ADVISORY GROUP ON Elimination of Duplicative and Non-Essential Services

PROPOSAL #: AGDNES #12

SUBJECT: DHH/OAAS - Nursing Homes

DATE ADOPTED BY ADVISORY GROUP: 11/02/09

COMMISSION ACTION: _____

DATE: _____

RECOMMENDATION: Expand current efforts to reduce unused nursing home bed capacity

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
Develop implementation plan to reduce unused nursing home bed supply. Plan could potentially include a budget neutral payment differential and bed buy-back process. Develop proposed legislation where needed.	DHH/Office of Aging and Adult Services	LA has the most nursing home beds and the highest number of residents per 1000 over the age of 85. LA has the lowest occupancy rates.	Dependent on option selected in development plan	Low occupancy results in a cost to the state of over \$20 million per year for empty beds. Bed buy-back would require considerable initial expenditure but has the potential for greatest long-term impact and reduced spending.	Fiscal and feasibility research to determine best options.